

REORGANIZATION PLAN

SAU Submitting: **Mechanic Falls, Minot, Poland**

Contact Information: **Dennis Duquette** (dennis_duquette@roadrunner.com)

Colleen Quint, RPC Chair (cquint@mitchellinstitute.org)

Date Submitted by SAU: **August 21, 2008**

Proposed RSU Operational Date: **July 1, 2009**

1. The units of school administration to be included in the proposed reorganized regional school unit

The proposed regional school unit includes the following school administrative units:

Mechanic Falls School Department

Minot School Department

Poland School Department

2. The size, composition and apportionment of the governing body.

The RSU board will have 15 members, 5 representatives from each town. Each board member shall serve a 3-year term and, pursuant to Public Law 2007 Chapter 240 section XXXX-40, the initial terms of the first RSU board shall be staggered.

Town	Representative	Jan. 2009	June 2010	June 2011	June 2012	June 2013	June 2014	June 2015
Mechanic Falls	MF1	1(term length)	3			3		
	MF2	2		3			3	
	MF3	2		3			3	
	MF4	3			3			3
	MF5	3			3			3
Minot	M1	1	3			3		
	M2	2		3			3	
	M3	2		3			3	
	M4	3			3			3
	M5	3			3			3
Poland	P1	1	3			3		
	P2	2		3			3	
	P3	2		3			3	
	P4	3			3			3
	P5	3			3			3

3. The method of voting of the governing body.

The regional school unit board shall be composed of 15 members. Each municipality in the RSU shall elect the following number of its residents to serve on the Board and their votes shall be weighted as follows:

METHOD "B" WEIGHTED VOTING

MUNICIPALITY	2006 Federal Estimated CENSUS	% POP	TOTAL VOTES (995 to 1005)	# DIR	VOTES PER DIRECTOR	% DEVIATION OF VOTING POWER
Mechanic Falls	3,242	28.3%	283	5	57	5.7%
Minot	2,866	25.0%	250	5	50	5.0%
Poland	5,367	46.8%	468	5	94	9.4%
TOTALS	11475	100.0%	1000	15		

$$1000 \div 15 = \frac{66.67}{1000} = 6.7\% \text{ Average}$$

PLUS 5.0%

This is in compliance 9.4% does not exceed the maximum allowable voting power of 11.7%.

11.7% = MAXIMUM VOTING POWER OF ANY ONE DIRECTOR

Each board member shall serve a 3-year term, except that the initial terms of the members of the first regional school unit board shall be staggered as provided by 20-A M.R.S.A § 1472-B.

4. The composition, powers and duties of any local school committees to be created.

Not Applicable.

5. The disposition of real and personal school property.

A. Real Property and Fixtures. Except as listed below, all real property interests, including without limitation land, buildings, other improvements to realty, easements, option rights, first refusal rights, and purchase rights, and all fixtures, of the school administrative units shall be property of the region. The regional school unit board may require such deeds, assignments or other instruments of transfer as in its judgment is necessary to establish the region's right, title and interest in such real property and fixtures.

All real property interests and associated fixtures shall be transferred with the following exceptions:

- The Town of Minot reserves the right to determine, at a later date, the amount of land between the school and the Minot Town Office to be transferred to the RSU;

- The land on which the Central Office is located also be transferred to the RSU. If the Central Office is ever transferred off this property, the land will be turned back to the Town of Poland and the building would be turned back to the towns and disbursed as assets under the Interlocal Agreement to Mechanic Falls, Minot and Poland.

All real property and fixtures not described in the above list shall be transferred to the regional school unit.

B. Personal Property. All other tangible school personal property, including movable equipment, furnishings, textbooks and other curriculum materials, supplies and inventories shall become property of the region as successor of the SAUs, except as listed below: **No Exceptions.**

The regional school unit board may require such assignments, bills of sale or other instruments of transfer as in its judgment is necessary to establish the region's right, title and interest in such personal property.

6. The disposition of existing school indebtedness and lease-purchase obligations if the parties elect not to use the provisions of Section 1506 regarding the disposition of debt obligations.

A. Bonds, Notes and Lease Purchase Agreements That the Region Will Assume. The region shall assume liability to pay the following bonds, notes and lease purchase agreements:

See EXHIBIT 6-A

Additionally, other bonds, notes and lease purchase agreements issued by an SAU before the operative date of the region shall be assumed by the region, provided the SAU issued the bond, note or lease purchase agreement in the normal course of its management of the schools for an essential purpose to replace its existing facilities and existing items of equipment that are not longer serviceable or to keep them in normal operating condition.

B. Bonds, Notes and Lease Purchase Agreements That the Region Will Not Assume. **None.**

C. New Capital Project Debt that Region Will Issue and Assume. **None.**

D. New Capital Project Debt that the Region Will Issue But Will Not Assume. **None.**

E. Defaulted Debt is Excluded from Being Assumed. **None.**

F. Other Debt Not Assumed. **None.**

7. The assignment of school personnel contracts, school collective bargaining agreements and other school contractual obligations.

A. **School Personnel Contracts.** A list of all written individual employment contracts to which each of the existing SAUs is a party is attached as Exhibit 7-A. Pursuant to Section XXXX-43(5), individuals on the list who are employed on the day before the operational date shall become employed by the RSU as of the operational date, and their contracts shall be assumed by the RSU on the operational date. This provision does not prevent the existing SAUs from terminating or non-renewing the contracts of employees in accordance with applicable law before the operational date of the RSU. The list shall be updated and made final no later than the day before the operational date of the RSU.

A list of all employees of the existing SAUs who do not have written individual employment contracts is attached as Exhibit 7-B. Pursuant to Section XXXX-43(5), individuals on the list who are employed on the day before the operational date shall become employed by the RSU as of the operational date. This provision does not prevent the existing SAUs from terminating employment of the employees in accordance with applicable law before the operational date of the RSU. The list shall be updated and made final no later than the day before the operational date of the RSU.

The duties and assignments of all employees transferred to the RSU shall be determined by the Superintendent of the RSU or his/her designee.

B. **School Collective Bargaining Agreements.** The following collective bargaining agreements to which the SAUs are a party shall be assumed by the regional school unit board as of the operational date:

Poland School Department	Positions Included in Bargaining Unit	Next Termination Date
Poland Regional High School	Teachers, nurses, counselors	2009
Poland Regional High School	All support staff positions (Excluding bus drivers)	See note below
Poland Community School & the Bruce M. Whittier Middle School	All support staff positions (Excluding bus drivers & custodians)	2010
Poland Community School & the Bruce M. Whittier Middle School	Teachers, nurses, counselors	2011
Mechanic Falls School Department	Positions Included in Bargaining Unit	Next Termination Date
Elm Street School, Mechanic Falls	Teachers, nurses, counselors	2011
Minot School Department	Positions Included in Bargaining Unit	Next Termination Date
Minot Consolidated School	Teachers, nurses, counselors	2011

All of the employer's rights and responsibilities with respect to collective bargaining shall be fully assumed by the regional school unit board as of the operational date.

C. Other School Contractual Obligations. A list of all contracts to which the existing SAUs are a party and that will be in effect as of the operational date is attached as Exhibit 7-C.

** The Mechanic Falls School Committee contract (attached) for 2008-2011 is waiting approval, which is expected with no delay.

** The Minot School Committee contract (attached) for 2008-2011 is waiting approval, which is expected with no delay. **(approved 8/13/08)**

** The Poland Regional High School Support Staff contract is in negotiations at this time. Presently the support staff at Poland Regional High School does not have a *bargaining unit*.

8. The disposition of existing school funds and existing financial obligations, including undesignated fund balances, trust funds, reserve funds and other funds appropriated for school purposes.

A. Existing Financial Obligations. Pursuant to Section XXXX-36(5) the disposition of existing financial obligations is governed by this plan.

Existing financial obligations shall include the following:

- (i) all accounts payable;
- (ii) to the extent not included as accounts payable, any financial obligations which under generally accepted accounting principles would be considered expenses of the SAU for any year prior to the year the RSU becomes operational, whether or not such expenses were budgeted by the SAU in the year the obligations were incurred, including for example summer salaries and benefits; and
- (iii) all other liabilities arising under generally accepted accounting principles that can be reasonably estimated and are probable.

Each SAU shall satisfy its existing financial obligations from all legally available funds. If an SAU has not satisfied all of its existing financial obligations, the SAU shall transfer sufficient funds to the region to satisfy its remaining existing financial obligations, and the regional school unit board shall be authorized to satisfy those existing financial obligations on behalf of the SAU. If the SAU does not transfer to the region sufficient funds to satisfy its existing financial obligations, then to the extent permitted by law, the regional school unit board may satisfy those obligations from balances that the SAU transfers to the region. If the available balances transferred are insufficient to satisfy the SAU's existing financial obligations, or are not legally available for that purpose, the regional school unit board may take any action permitted by law so that all of the municipalities of the region are treated equitably with respect to the unsatisfied existing financial obligations of an SAU. For example, to the extent permitted by law, the regional school unit board may satisfy the unpaid existing financial

obligations of an SAU in the same manner and with the same authority as for unassumed debt under the provisions of 20-A M.R.S.A. § 1506(4).

Additionally, to the extent permitted by law, if in the judgment of the regional school unit board it must raise funds from all its members to satisfy existing financial obligations of an SAU, the regional school unit board also shall be authorized to raise additional amounts for the purpose of making equitable distributions (which may be made in the form of credits against assessed local shares of the region's approved budget) to those region members that would otherwise bear costs attributable to unsatisfied existing financial obligations of an SAU for which they had no financial responsibility. The intent of the preceding sentence is that financial responsibility for unsatisfied existing financial obligations of an SAU be borne by its members and not by the other members of the region.

B. Remaining Balances. The balance remaining in the SAU's school accounts after the SAU has satisfied existing financial obligations in accordance with this plan shall be paid to the treasurer of the regional school unit, verified by audit and used to reduce that SAU's contribution as provided by Section XXXX-43(4). Unless the Legislature otherwise provides, in the case of a school administrative district, community school district or other regional school district (collectively, "district"), the school board of the district shall specify in writing to the regional school unit board how the region shall allocate transferred remaining balances between district members. Unless the Legislature otherwise provides, if the district board has not specified in writing to the regional school unit board how this allocation shall occur, then the transferred remaining balances shall be credited to the district's members in proportion to their respective shares of that portion of the total local costs of the region allocable to all of the district's members for the operational year.

Transfers of remaining balances may occur within the period specified by Section XXXX-43(4), or, as may be preferable in the case of a district, at any time before the district has closed its accounts and ceased normal operations.

C. Reserve Funds. SAUs shall transfer remaining balances of reserve funds to the regional school unit. Unless otherwise provided by applicable law, a transferred reserve fund shall be used in accordance with its original purpose to benefit a school or schools of the SAU. Transferred reserve funds shall be subject to Title 20-A M.R.S.A. § 1491, except that the transfer of funds in a reserve fund or a change in purpose of the fund may only occur in such manner that the funds continue to benefit the members of the SAU that transferred that reserve fund to the region.

D. Scholarship Funds. Municipalities may elect to retain authority over remaining balances of scholarship funds or transfer them to the RSU. Any scholarships transferred to the RSU in the future shall be limited to the original pool of potential recipients unless otherwise provided by the donor or by applicable law.

E. Trust Funds. Municipalities may elect to retain authority over trust funds or transfer them to the RSU. If the trust funds are transferred to the RSU board, that board shall be deemed the successor trustee for all purposes, except as provided by the trust or by applicable law.

9. A transition plan that addresses the development of a budget for the first school year of the reorganized unit and interim personnel policies.

A. The initial RSU board shall be elected in accordance with 20-A M.R.S.A. § 1472-A and shall have the transitional powers and duties provided by 20-A M.R.S.A. § 1461-A.

The RPC shall designate a transition committee within one week of the submission of the RSU plan to the Department of Education and this committee will continue working until the election of the new RSU board. The committee shall be composed of the superintendent, business manager, curriculum coordinator, building principals, 3 SAU committee members, and 3 members of the RPC, one from each municipality. The transition committee shall form appropriate sub-committees.

The transition committee shall:

1. Oversee information campaign prior to the public referendum in November 08
2. Investigate areas of possible efficiencies in the new RSU.
3. Enumerate/plan for all startup planning tasks to be done before July 1, 2009
4. Work with the respective SAU committees to begin preparation of the 2009-10 budget with the intent of handing over the preliminary work to the new RSU board once elected.
5. Define the work responsibilities for the secretary position focused on preparing for the election of the new RSU school board, and begin to identify possible candidate for the position.
6. Other areas of work as needed to prepare for RSU startup.

B. Transition Plan for Personnel Policies. All personnel policies existing in the previous school administrative units shall continue to apply to the same employment positions after they become part of the regional school unit.

The regional school unit board and superintendent will develop and adopt region-wide policies in accordance with applicable law.

10. Documentation of the public meeting or public meetings held to prepare or review the reorganization plan.

Minutes of the following public meeting(s) held to prepare or review the reorganization plan are attached as Exhibit 10-A:

Date of Public Meeting	Time	Location
June 23, 2008	6:00 p.m. – 8:00 p.m.	Mechanic Falls Legion Hall
July 2, 2008	6:00 p.m. – 8:00 p.m.	Poland Regional High School
July 9, 2008	6:00 p.m. – 8:00 p.m.	Poland Regional High School
July 16, 2008	6:00 p.m. – 8:00 p.m.	Poland Regional High School
July 23, 2008	6:00 p.m. – 8:00 p.m.	Poland Regional High School
July 30, 2008	6:00 p.m. – 8:00 p.m.	Poland Regional High School
August 6, 2008	6:00 p.m. – 8:00 p.m.	Poland Regional High School
August 13, 2008	6:00 p.m. – 8:00 p.m.	Poland Regional High School
August 20, 2008	4:30 p.m.-7:00 p.m.	Poland Regional High School -School Committee Votes

11. An explanation of how units that approve the reorganization plan will proceed if one or more of the proposed members of the regional school unit fail to approve the plan.

If the plan is rejected by one or more SAUs, the region shall not be formed under this plan, and the SAUs shall re-start the process to form a regional school unit with the same or other school administrative units and may seek assistance from the Department of Education to form another reorganization plan pursuant to Section XXXX-36(11).

12. An estimate of the cost savings to be achieved by the formation of a regional school unit and how these savings will be achieved.

We estimate that the formation of the regional school unit will result in the following cost savings during the first three years of operation:

First year – 2008 - 2009

- SAU #29 began to consolidate services during the 07/08 school year in anticipation of consolidation and our commitment to reduce costs and increase efficiency where ever possible. It was also our hope to be granted the right to “stand alone” as our own three town RSU, so we were very proactive in reducing costs and becoming more efficient in our operations.
 - Consolidation of our maintenance department – we now have one maintenance person per building (4) – cost savings of \$90,000
 - Facilities Director’s position has been eliminated through attrition – cost savings of \$66,000
 - 3rd shift custodial at PRHS has been eliminated through attrition and responsibilities redistributed to 2nd shift – cost savings of \$26,000
 - Facilities Director’s secretary has been eliminated through attrition, responsibilities have been redistributed to PRHS secretarial staff and central office staff – cost savings of \$26,000
 - Central Office – two office positions have been eliminated with their responsibilities divided between other central office staff – cost savings of \$64,000
 - Relocation of Bakerstown alternative program from off-site to PRHS. Cost savings of \$85,000
 - Administration – one ½ time Dean of Students position has been eliminated by combining responsibilities of our K-6 principal and assistant principal into a K-8 administrative team. Cost savings of \$37,000

Total cost savings for 08-09 school year: \$374,000

Estimated savings 09-10 school year: \$562,000

Estimated additional costs: Unknown additional costs around fuel, and benefits at this time. Salary and Benefit increases are anticipated to be \$268,000

Net savings (or costs): \$257,000

Second Year 2009-2010:

- During the second year of our new Regional School Unit we will continue to reduce costs and improve efficiencies. Listed below are several of the proposed cost reductions that will be submitted to our Regional School Board.
 - Consolidation of our three transportation departments into one and installation of a transportation software routing program. Cost savings are projected to be \$75,000
 - Reduction of administration in our three town RSU by 2 positions. Cost savings are projected to be \$129,000
 - Reduction of teaching staff due to enrollment, student/teacher ration and sharing teacher resources are projected to be \$331,000
 - Educational cost sharing between our three towns – we are planning on sharing our present music/band instructors, health/wellness, tech ed, across all three towns. This will allow schools that do not have these programs to offer these education programs to our students with no additional costs to our towns since we will have a single RSU budget.
 - Consolidation of our three Food Service departments into one. Cost savings are projected to be \$27,000.

Estimated savings: \$562,000

Estimated additional costs: \$272,000.

Net savings projected (09-10 year): \$290,000

Third year – 2011 - 2012:

Estimated savings: Unknown

Estimated additional costs: Unknown

Net savings (or costs): Unknown

Total estimated savings (or costs): Unknown (at least \$547,000)

13. Such other matters as the governing bodies of the school administrative units in existence on the effective date of this chapter may determine to be necessary.

13-A. Plans to reorganize administration, transportation, building and maintenance and special education.

During the school year 2007/2008 the central office administration has cut two secretarial positions reducing our annual cost by \$59,000. We will continue to look at central office personnel as we move into and through reorganization.

Our Facilities Manager left the position in December 07 and we have made the decision not to fill the vacancy. Instead we have divided these responsibilities across the business manager, superintendent and central office staff. Maintenance has decreased three positions across our three town school union and will continue to look at staffing as we proceed with reorganization.

Transportation has decreased one position in 07/08, but we will be reorganizing transportation during the 08/09 school year in several ways. Transportation software will either be provided through the state or purchased by our school system to restructure our student bus routes. We will also combine our three separate bus fleets from all three towns into one bus service. This will have an approximate savings of \$75,000.

Special Education – our school union will be Implementing Response to Intervention (RTI) this fall in all of our schools. RTI is designed to serve the needs of our students better as well as produce special education cost savings. We have just recently moved our Alternative Program from an off site location into Poland Regional High School which will save the district \$24,000 in rent and \$87,000 in employee costs.

13-B. Cost Sharing in Regional School Units.

The regional school unit may raise money, in addition to the required local contribution pursuant to Title 20-A, Section 15690, subsection 1 for educational purposes. The additional local costs of operating the regional school unit shall be shared among all the municipalities within the regional school unit will be phased in over the first three years of the RSU.

The intent of this Plan is to have the additional local funds shared fairly and equitably among the RSU's member municipalities while minimizing cost shifting in the first year. The RSU shall phase in over 3 years a combination of property value and the cost-per-pupil method of allocating local additional funds as follows:

- Year 1 (2009-2010): The additional local funds shall be allocated based upon 100% valuation.
- Year 2 (2010-2011): The additional local funds shall be allocated based upon 95% valuation and 5% pupil count.
- Year 3 (2011-2012): The additional local funds shall be allocated based upon 90% valuation and 10% pupil count.

(Note: the remaining 70% of local costs, the required local contribution, will still be calculated by the State based on property valuation.)

The Year 3 cost sharing formula shall remain in effect until a review, by the RSU board, in year 5 of the RSU (2013-2014). The formula shall be reviewed every two years thereafter to ensure that formula remains fair and equitable. The pupil count from year 1 (2009-2010) shall be used as reference for pupil count in the review.

This local cost sharing formula applies only to the amount, if any, of additional local funds and non-state funded debt service raised by the regional school unit. It does not apply to the required local contributions raised by each municipality pursuant to 20-A M.R.S.A. § 15688.

Amendments to this cost sharing formula may incorporate any factor or combination of factors permitted by law in addition to or in lieu of fiscal capacity and resident pupils.

The method of amending the cost sharing formula is as follows:

A. If requested by a written petition of at least 10% of the number of voters voting in the last gubernatorial election within the regional school unit, or if approved by a majority of the full regional school unit board, the regional school unit board shall hold at least one meeting of municipal representatives to reconsider the method of sharing costs. The region shall give at least 15 days' notice to each municipality comprising the region of any meeting.

B. Each member municipality must be represented at the meeting or meetings by 2 representatives chosen at large by its municipal officers, and one member of the regional school unit board chosen by the municipality's municipal officers.

Prior to the first meeting of municipal representatives the region shall engage the services of a facilitator selected from the list, if any, maintained by the commissioner. The facilitator shall:

(1) At the first meeting, review and present data and information pertaining to sharing of costs within the region. Pertinent information may include, but is not limited to, a description of the region's cost-sharing method, the elements involved in the calculation of each municipality's costs and a graphic depiction of the current and historic distribution of costs in the region.

(2) Solicit and prepare a balanced summary of the concerns of municipal officials, educators and the public about the current method of cost sharing; and

(3) Develop a plan of action for consideration by the municipal representatives that responds to the information collected and the concerns raised. The plan of action must include a list of expectations for the conduct of the parties, options for proceeding and an assessment of the likely success of those options.

C. A change in the method of sharing costs may only be approved by a majority vote of the municipal representatives present and voting.

D. If a change in the cost-sharing method is approved by a majority of the municipal representatives meeting pursuant to paragraph A, the change must be submitted to the voters at a referendum election. It becomes effective when approved by a majority of the region in a referendum called and held for this purpose in accordance with sections 1501-1504 of Title 20-A, except that, if the proposed change in cost-sharing plan is based in whole or part on factors other than fiscal capacity or pupil count, the change must be approved by a majority of voters voting in each municipality in the region.

E. If approved at referendum, assessments made by the regional school unit board thereafter must be made in accordance with the new method of sharing costs.

F. The secretary of the region shall notify the state board that the region has voted to change its method of sharing costs. The state board shall issue an amended certificate of organization showing this new method of sharing costs.

13-D. Tuition Contracts & Assignment of Tuition Students

Minot currently has a tuition contract for their secondary students with Poland Regional High School (PRHS). That contract and Minot school policy allows a limited number of secondary students to attend a secondary school, approved for tuition pursuant to §5805 and §5806, other than PRHS. This plan allows those students who are approved to attend those schools in the 2009-2010 school year and their siblings who start Grade 9 no later than the 2012-2013 school year to attend those schools until graduation.

Mechanic Falls currently has a tuition contract for their secondary students with Poland Regional High School (PRHS). That contract and Mechanic Falls school policy allows a limited number of secondary students to attend a secondary school, approved for tuition pursuant to §5805 and §5806, other than PRHS. This plan allows those students who are approved to attend those schools in the 2009-2010 school year and their siblings who start Grade 9 no later than the 2012-2013 school year to attend those schools until graduation.

13-E. Claims and Insurance.

Disclosure of claims: None.

13-F. Vote to submit reorganization plan to Commissioner.

Before submitting a reorganization plan to the Commissioner of Education the governing body of each school administrative unit shall adopt the following vote:

Vote to be Adopted by [School Committee/Board] to Submit Reorganization Plan to Commissioner:

VOTED: That the provisions included in the school reorganization plan prepared by the Mechanic Falls, Minot and Poland School Departments Reorganization Planning Committee to reorganize into a regional school unit with an operational date of July 1, 2009, are determined to be necessary within the meaning of Section XXXX-36(5)(M) and that the Superintendent of Schools be, and hereby is, authorized and directed to submit the school reorganization plan to

the Commissioner of Education on behalf of this school administrative unit by December 1, 2007.

13-G. Section for RSUs with fewer than 2,500 students

- (a) Geography, including physical proximity and the size of the current school administrative unit;
- (b) Demographics, including student enrollment trends and the composition and nature of communities in the regional school unit;
- (c) Economics, including existing collaborations to be preserved or enhanced and opportunities to deliver commodities and services to be maximized;
- (d) Transportation;
- (e) Population density; or
- (f) Other unique circumstances including the need to preserve existing or developing relationships, meet the needs of students, maximize educational opportunities for students and ensure equitable access to rigorous programs for all students.

The information required above was supplied to the Department of Education in our alternative plan application. It is provided again below.

Geography – School Union #29 is composed of three towns, Poland, Mechanic Falls, and Minot encompassing approximately 120 square miles. The geography is unique with many twisting and turning roads going over countless hills and mountains. The furthest point in Minot to the center of Poland at Poland Regional High School is 15 miles. There are few direct routes from each of our towns to the center of Poland, which is the hub of our school system. Intermingled within our three towns are the following lakes; Tripp Lake, Lower, Middle and Upper Range Pond, Sabbathday Lake, Crescent Lake and Thompson lake. Combined with the hills, mountains and valleys, these lakes all create additional geographical hurdles to overcome.

Other Unique Circumstances

(Doughnut Hole) – SAU #29 has worked diligently with several of our surrounding districts to investigate consolidation options and partners.

Discussions with Raymond, Auburn, and SAD #39 have all been turned down. Discussions with SAD #15 have been extensive, but the geography and financial burdens in consolidating with SAD #15 have proven to be too great. Although the discussions between our two school units have been extensive and positive, it has been very clear from the beginning that our five towns did not want to consolidate together into one regional school unit. In addition, the geography and financial burdens between the proposed consolidation of SAU #29 and SAD #15 has shown no potential savings. Factoring in the long-term effect from the disparity in teacher salaries due to SAD #15 proximity to the Portland job market, the merger of our two school districts will cost SAU #29 approximately \$800,000 per year in teacher salary increases.

(Internal vs. External Consolidation) – Our Regional Planning Committee has concluded that our three towns could save more money through significant internal consolidation decisions. Since July 1st our school union has already taken several steps to streamline and become more efficient and continue to make practical decisions as we move through the budget process for 2008-2009. With the decrease in state and federal subsidies for education, we are well aware that our taxpayers will be increasingly responsible for the majority of our school budget. All of the financial and sound educational steps we have taken to date and the continued emphasis on efficiency and the building and utilization of strategic alliances will produce a three town regional school unit that will utilize its resources more effectively while maintaining local control.

13-H. CTE Region(s).

Mechanic Falls, Minot, and Poland School Departments all send their vocational students to Lewiston Regional Technical Center so this section is not applicable.

**SCHOOL UNION #29
INTERLOCAL AGREEMENT FOR FUNDING, CONSTRUCTION, OWNERSHIP AND
OPERATION OF NEW BUILDING TO HOUSE OFFICE SPACE FOR UNION #29
FUNCTIONS AND POLAND BUS DISPATCH FUNCTIONS**

This Interlocal Agreement ("Agreement") is made as of this 15 day of June, 2004, by and between the respective School Committees of the municipalities of Mechanic Falls, Minot and Poland, Maine.

WHEREAS, the School Committees of Mechanic Falls, Minot and Poland, Maine are School Administrative Units (the "member SAUs") as that term is defined at 20-A M.R.S.A. §1(26); and

WHEREAS, the Member SAUs have formed a School Union pursuant to the provisions of 20-A M.R.S.A. §1901 et seq., referred to as School Union 29 ("SU 29"); and

WHEREAS, SU 29 currently leases and occupies property for administrative purposes and that property is not suitable for continuing occupancy; and

WHEREAS, the Member School Administrative Unit and the Town of Poland wish to construct, own and occupy a new building ("Building") with a total square footage of no more than 4,100 square feet and no less than 4,000 square feet, to provide administrative office space for SU 29 and bus dispatch and bus operational space for the Town of Poland; and

WHEREAS, said Building is to be built on land under ownership of the Town of Poland; and

WHEREAS, said Building is to be constructed as part of a project currently underway and permitted under the Site Location of Development Law to improve the current public works garage facility of the Town of Poland and to provide garaging and dispatch facilities for the school bus fleet of the Town of Poland ("PWG Project"); and

WHEREAS, improvements to the land under and around said Building are not to be included in the shared construction costs of said Building as defined in this Agreement, but remain part of the PWG Project; and

NOW, THEREFORE, for good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged the parties hereto agree as follows:

1. Contribution.

The three member School Administrative Units shall collectively contribute \$250,000 toward the PWG Project. The Town of Poland shall finance said \$250,000 contribution and the construction of the Building by issuing bonds or other securities of the Town of Poland. The member School Administrative Units, on behalf of SU 29, shall enter into a lease-purchase agreement with the

Town of Poland which shall provide for the repayment of their respective shares of the \$250,000 construction costs over a ten year period, as further described in said lease-purchase agreement. Each member School Administrative Unit shall contribute to the annual lease payment in proportion to the cost-sharing formula in place for the 2004-2005 school year.

2. Construction

Construction of the Building will be undertaken by the Town of Poland including the design of the Building, procurement of construction services and management of the construction of the Building. Consultations will be made with Union 29 personnel and a committee formed under the Union 29 School Committee to guide the design of the Building. It is understood that final design decisions are the sole purview of the managers of the PWG Project in order to provide control of the construction costs and to protect the financial health of the PWG Project.

Any and all additional design and permitting costs associated with the Union 29 portion of the PWG Project will be charged to the \$250,000 which member School Administrative Units of Union 29 contribute to the project

3. Allocation of Space

No less than 3027 square feet of the Building shall be designated for use as office space for School Union 29, and no less than 651 square feet of the Building shall be designated for use by the Town of Poland bus dispatch function.

4. Ownership

Ownership of the land under and around the Building will remain with the Town of Poland. Ownership of the Building will be shared by the Town of Poland and the three School Administrative Units according to the following: Ownership of spaces within the Building designated to be shared by the bus dispatch function of the Town of Poland and the SU 29 offices will be shared 50% to the Town of Poland and 50% to the three School Administrative Units of SU 29 according to the cost - sharing formula in place for the 2004-2005 school year. Spaces within the Building designated for use by the Town of Poland Dispatch function shall be wholly owned by the Town of Poland. Spaces within the Building designated for use by SU 29 shall be owned by the three School Administrative Units of SU 29 according to the cost -sharing formula in place for the 2004-2005 school year. The net percentage of ownership by each of the three School Administrative Units shall be calculated on the basis of the weighted ownership of each of the three towns in the square footage of the Building. The total Town of Poland percentage of ownership will be calculated after including; (1) all the square footage in the area designated for the Poland Bus Dispatch function, (2) 50% of areas designated to be shared by the Town of Poland Bus Dispatch function and the SU 29 offices, (3) an additional portion of the areas designated to be shared between the Poland Bus Dispatch function and the SU 29 offices based on the Union cost-sharing formula for the 2004-2005 school year and (4) the Town of Poland's portion of the areas designated for SU 29 office space based on the Union cost sharing formula for the 2004-2005 school year. The total of the percentage ownership of the administrative office space of Union 29 of each of the three School Administrative Units will be 100%. This percentage will be set at the end of construction and, absent changes in the Building total floor area, will remain a constant over time. Floor areas will be calculated to the face of the

foundation wall on the outside walls and to the centerline of partitions on inside walls.

5. Sharing of Operation and Ownership Costs of the Building Proper.

Sharing of operating costs associated with the Building itself, as opposed to the land it rests upon or the improvements to the land surrounding the Building, will be based first on the percentage of ownership attributable to the Town of Poland Bus Dispatch function and SU 29 office space, and then on the Union 29 cost-sharing formula in place for the then current school year. (For example, if 22% of the total ownership of the building is attributed to the Town of Poland bus dispatch function and 78% of the total ownership is attributed to the School Union No. 29 offices, the Town of Poland will be responsible for 22% of costs, as well as a share of the remaining 78% of costs based on the Union 29 cost sharing formula in place for the then current school year.) These costs include costs of providing electricity, fuel for heating and cooling, custodial services, custodial supplies, building repairs, property insurance, property taxes, maintenance to the outside and roof of the Building. Costs of repairs and replacements of elements common to the entire Building will be shared according to the percentage of ownership. Costs of repairing or replacing flooring, ceilings, electrical systems, heating and cooling systems or any building component or system regardless of the part of the Building where the repairs or replacements occur will be shared by the parties first according to the percentage of ownership attributable to the Town of Poland Bus Dispatch function and the SU 29 office space, and then by the Union 29 cost-sharing formula in place for the then current school year. The percentage of ownership of all parties will be determined as stated in Section 4.

Poland's portion of property taxes associated with the ownership of the Building will be budgeted and paid from the SU 29 budget each year and will become a revenue to the Town of Poland's municipal budget.

6. Sharing of Operation Costs of the Surrounding Site.

Costs associated with use and maintenance of the surrounding land including parking areas, drives, site lighting, landscaping, winter plowing and sanding and the use of the land and provision of sanitary and potable water to the Building are payable by the Member School Administrative Units of SU 29. Payment will be made to the Town of Poland and will be revenue to the municipal budget of the Town of Poland from the school budgets of the School Administrative Units through the School Union Budget as compensation for costs associated with the land. Due to the difficulty in accurately quantifying these costs, a fixed percentage of the appraised value of the Building, without land, will be assessed, in addition to property taxes, to SU 29 and will be shared first based on the percentage of ownership attributable to the Town of Poland Bus Dispatch function and the SU 29 office space, and then by the cost-sharing formula in place for the then current school year. The percentage of ownership of all parties will be determined as stated in Section 4.

Poland's portion of these costs must be calculated, budgeted and paid from the SU 29 budget each year along with the other member School Administrative Units in ownership of the Building. The fixed percentage to be applied to the prevailing assessed value of the Building to determine compensation to the municipal budget of the Town of Poland for the above is 0.518%.

7. Compensation Upon Withdrawal

In the event that a member School Administrative Unit, other than Poland, withdraws from SU 29 subsequent to the execution of this Agreement, the withdrawing School Administrative Unit shall be entitled to compensation from the remaining School Administrative Unit or School Administrative Units as follows:

a. Withdrawal during the term of the Lease-Purchase Agreement.

Percentage of withdrawing SAU's ownership of Building at the time of withdrawal

X

Number of months elapsed under the Lease-purchase Agreement

Number of months of the term of the Lease-purchase Agreement

X

Tax assessed value of the Union 29 portion of the Building at the time of withdrawal.

b. Withdrawal after the purchase is completed.

Percentage of withdrawing SAU's ownership of Building at the time of withdrawal

X

Tax assessed value of the Union 29 portion of the Building at the time of withdrawal.

If Poland withdraws from SU 29 subsequent to the execution of this Agreement, then Poland will compensate the other School Administrative Unit or School Administrative Units according to their percentage of ownership of the assessed value of the Building at the time of transfer of ownership.

Payments must be made in full within 3 months of the time of transfer of ownership under this Section. Execution and delivery of a deed in a form satisfactory to the remaining School Administrative Unit Building owner or owners must be delivered at the time of transfer of ownership. Written notice by certified United States Mail is required six months in advance of any transfer of ownership.

8. Potential Changes in School Union 29 Structure

If an additional School Administrative Unit seeks to join School Union 29, any changes in ownership of the Building will be negotiated among the Town of Poland, School Union 29 and the School Administrative Unit seeking entry into School Union 29 prior to final approval of entry by the applicant School Administrative Unit.

9. Dissolution of School Union 29

If there is a dissolution of School Union 29, the status of ownership of the Building will be negotiated among the Towns of Poland, Minot and Mechanic Falls and whatever body replaces School Union 29.

The Town of Poland and the Member School Administrative Units hereby agree that the Building shall be and remain the personal property of the Member School Administrative Units pursuant to 33 M.R.S.A. §455.

11. Execution of Documents

The parties agree that all legal documents necessary to fulfill this Letter of Intent, including documents required for recording in the Registry of Deeds, shall be prepared and shall be executed by the respective parties, subject to approval by the respective parties which approval shall not be unreasonably withheld.

12. Agreement Conditioned on Necessary Approvals

This Agreement shall be conditioned upon the securing of all necessary approvals for construction from the Member School Administrative Units and the State of Maine, and the parties agree that they will make all reasonable efforts to obtain the necessary approvals.

In Witness whereof, we have set our hands and seals this 24th day of June, 2004.

Mechanic Falls School Committee

Date: 6-16-04

By: Arsenault
Its: Chairperson

Minot School Committee

Date: 6/21/04

By: Wm J Hunt
Its: Chairperson

Poland School Committee

Date: 6/24/04

Richard R. Munney *Director*
Operations
SIGNATURES WITNESSED BY

By: Dea Ferris
Its: Chairperson

Exhibit 6-A: Bonds, Notes and Lease Agreements

Poland School Department

Local Debt Bond Purpose	Bond ID	Year Issued	Original Amount	Maturity	Balance 6/30/09
High School Field	2000A	2000	\$242,367.00	2010	\$48,470.00
PCS Addition	2003C	2003	\$1,564,000.00	2023	\$1,152,425.00
Union Office	2004D	2004	\$142,250.00	2015	\$85,350.00
Bus Dispatch Center	See Financial Statement	2004	\$185,500.00	2023	\$148,400.00
(principal only)			\$2,134,117.00		\$1,434,645.00

Leases

Purpose	Year Issued	Original Amount	Maturity	Balance 6/30/09
School Bus-1015659	2005	\$61,529.00	2009	\$12,912.51
Apple Computer-PCS	2008	\$78,030.65	2010	\$26,010.21
		\$139,559.65		\$38,922.72

Mechanic Falls School Department

Bond Purpose	Bond ID	Year Issued	Original Amount	Maturity	
School Addition	2000D-MECH2	2000	\$800,000.00	2020	\$480,000.00
Union Office†	Not Bonded	2004	\$57,000.00	2015	\$34,200.00
			\$857,000.00		\$514,200.00

Leases

Purpose	Year Issued	Original Amount	Maturity	Balance 6/30/09
School Bus-1015657	2005	\$62,176.00	2009	\$13,048.29

Minot School Department

Bonds				
Purpose	Bond ID	Year Issued	Original Amount	Balance 6/30/09
Union Office†	Not Bonded	2005	\$50,750.00	\$30,450.00
			\$50,750.00	\$30,450.00

Exhibit 6-A: Bonds, Notes and Lease Agreements

Leases	Year Issued	Original Amount	Maturity	Balance 6/30/09
Modular Unit	2007	\$59,443.00	2010	\$32,258.60
School Bus-1015776	2006	\$68,084.00	2010	\$27,798.10
School Bus-1015658	2005	\$68,032.30	2009	\$12,933.92
school Bus- 1015550	2004	\$60,399.00	2008	\$-
school Bus- 1015863	2007	\$70,809.00	2011	\$40,732.02
		\$267,324.30		\$81,464.04

Total Debt: \$1,979,295.00

Total Leases: \$133,435.05

EXHIBIT 7-A: PERSONNEL CONTRACTS

Minot

POSITION	INCUMBENT	CONTRACT EXPIRATION
MCS Principal	Margaret Pitts	6/30/2010

Poland

POSITION	INCUMBENT	CONTRACT EXPIRATION
PRHS Principal (Interim)	Cari Medd	6/30/2010
PRHS Dean of Faculty	Erin Connor	6/30/2010
PRHS Dean of Students	Ray LaFreniere	6/30/2010
PRHS/BMWMS Co-curricular director	Don King	6/30/2009
PCS/BMWMS Principal	Ayesha Farag-Davis	6/30/2010
PCS/BMWMS Assistant Principal	Shaw Vincent	6/30/2010

Mechanic Falls

POSITION	INCUMBENT	CONTRACT EXPIRATION
ESS Principal	Mary Martin	6/30/2009
ESS Assistant Principal	Arthur Reed	6/30/2009

School Union 29

POSITION	INCUMBENT	CONTRACT EXPIRATION
Superintendent	Dennis Duquette	6/30/2010
Business Manager	Rick Kusturin	6/30/2009
Curriculum Coordinator (1/2)	Heather Manchester	(PRHS Teacher Contract)
Director of Special Education	Barbara Hasenfus	6/30/2010
Director of Adult & Community Education	Nancy Watson	6/30/2010
Transportation Director	Ted Foss	6/30/09
School Psychological Service Provider	Renee Lamb	6/30/2009
School Psychological Service Provider	Berwyn Wetter	6/30/2009
Adult Education Instructor	Sue Lassalle	6/30/09

Exhibit 7-B.

A list of all employees of the existing SAUs
who do not have written individual employment contracts

Elm Street School, Mechanic Falls, Maine

Bus Drivers

Michael Downing
Cecile Martin
Marshall Francis
Mark Chase

Custodians

Gary Purington
Carolyn Ames
Gerald Pray

Office Staff

Sherri Chagnon.
Velora Piper
Evelyn Davis

Kitchen

Randy Plummer
Mary Whittier

Ed. Techs

Cathi Smith
Robin Dufour
Carla Lake
Sue Marston
Brenda Fortin
Arlene Reynolds
Pat Abbott
Donna Bragdon
Carol Coy
Virginia Slicer
Erika Rivard
Roxanne Doyer
Lillie Principe
Paula Glatz
Cindy Cormier

Exhibit 7-B. cont'd

Central Office

Lauren Hendry, Administrative Assistant
Cheryl Piper, Administrative Assistant
Louise Charest, Secretary
Wendy Ritchie, Finance Coordinator
Carol Depot, Payroll
Cindy Leighton, Payroll Clerk
Sue Wade, Accounts Payables – Benefits

Adult Education

Patricia Demers, Administrative Assistant
Jenny Rose

Teachers

Barbara Freeley
Terryl Jensen
Mark Lopez
Rikki Lukeski
Catherine Paiton
Donald Patterson

Exhibit 7-B. cont'd

Poland Bus Drivers

Catherine Lavigne
Linda Holladay
Cheryl Leighton
Suzanne harris
Linda Harvey
Victor Lindquist
Rene Therriault
Bruce Kunath
Danielle Girardin
Robert Ouellette
Erdene Dearborn
Alan Connolly
Carroll Daggett
Royce Bean
Diana Driscoll-Connolly
Richard Chick
Sharon Potvin
R. T. Foss

Minot Consolidated School

Secretary

Janet Wilkinson

Nurse

Mary Wallace

Kitchen Staff

Peggy Polley
Kimberly Spencer
Gail Griffin

Custodians

Ray Files
Pat Decoster
Robin Carr

Bus Drivers

Dave Snell
James Harney
William Moore
Mike Morrisette
Glenn King

Ed Techs

Beverly Mottram
Danelle Nisley
Mary Snell
Gina Moulton
Ann Turgeon
Sean Johnson
Norma Vining
David Clark
Wendy Simard
Kim Caron
Judy Rowe
Brenda Gora
Beverly Everding
Joan Dyer
Jane McGlauflin
Wendy Benway

School Union #29 Central Office Staffing

LastName	FirstName	PositionDescr	Years	Mechanic Falls			Minot			Poland			Combined		
				Salary	Hrs		Salary	Hrs		Salary	Hrs		Salary	Hrs	Days
Depot	Carol	Payroll Service Manager	6	6,779.00	2		6,524.00	2		18,522.00	4		31,825.00	260	8
Hendry	Lauren	Supt Admin Assistant	5	6,960.00	2		6,699.00	2		19,018.00	4		32,677.00	260	8
Ritchie	Wendy	Finance Coordinator	7	9,127.00	2		8,784.00	2		24,938.00	4		42,849.00	260	8
Wade	Suzanne	A/P, Benefits Specialist	2	6,278.00	2		6,042.00	2		17,154.00	4		29,474.00	260	8
Withers	Carol	Bookkeeper ??	1	10,400.00	2.7		10,400.00	2.7		10,400.00	2.7		31,200.00	120	8.1
Kusturin	Ricky	Business Manager	1	14,484.00	2		13,940.00	2		39,576.00	4		68,000.00	260	8
Duquette	Dennis	Superintendent	1	20,661.00	2		19,885.00	2		56,454.00	2		97,000.00	260	9.5
				74,689.00			72,274.00			167,540.00			333,025.00		
Central Services P/R				47,068.00			45,690.00			92,068.00			203,348.00		

10. Documentation of the public meeting or public meetings held to prepare or review the reorganization plan.

Minutes of the following public meeting(s) held to prepare or review the reorganization plan are attached as Exhibit 10-A:

Note: Attach minutes of each meeting listed below.

Date of Public Meeting	Time	Location
June 23, 2008	6:00 p.m. – 8:00 p.m.	Mechanic Falls Legion Hall
July 2, 2008	6:00 p.m. – 8:00 p.m.	Poland Regional High School
July 9, 2008	6:00 p.m. – 8:00 p.m.	Poland Regional High School
July 16, 2008	6:00 p.m. – 8:00 p.m.	Poland Regional High School
July 23, 2008	6:00 p.m. – 8:00 p.m.	Poland Regional High School
July 30, 2008	6:00 p.m. – 8:00 p.m.	Poland Regional High School
August 6, 2008	6:00 p.m. – 8:00 p.m.	Poland Regional High School

Union 29
REGIONALIZATION PLANNING COMMITTEE
1st Meeting - June 23, 2008 - 6:00 PM
Mechanic Falls Legion Hall

MINUTES

Present: Colleen Quint, Carl Beckett, Norm Beauparlant, Yvette Murray, Dave Griffiths, Norm Davis, Steve Holbrook, Tina Kelly, Bill Doughty, Eda Tripp, Mary Jane McCalmon, Dennis Duquette, Winslow Durgin, Mary Martin, Cari Medd, Mary Ella Jones, Linda Harvey, Charlotte McCleary, Dana Lee, Robert Belanger, John Hawley, Gary Purington, Melissa Hodgkin, Jack Wiseman, Rick Kusturin, Melanie Sparks Ide, Dean Campbell, Steve French, Rhonda Irish, Danny Gilpatric, Faye Luppi, Linda Chaisson

1. Welcome – Our purpose as a group

- ✓ Colleen Quint welcomed the group and Mary Jane McCalmon reviewed the agenda and set the plan for the meeting. Colleen Quint spoke about the prior work done on the Consolidation Planning Committee that should be helpful in moving forward.
- ✓ The referendum must be done by January 30, 2009. We need to review timelines and see if we can get the work done in time for the November elections.

2. Introductions – Who's in the room?

- Introductions were made for everyone present.

3. Expectations of the planning committee

➤ **Official 'charge' to the planning committee**

- A handout was provided outlining the purpose of the RPC (committee).
- Colleen read a letter from the Commissioner regarding the approval to file a reorganization plan to stand alone as a single regional school unit.
- Mary Jane reviewed the *Purpose of the Committee* handout.
- An additional handout was provided outlining the Major RSU Plan Components in more detail.
- Colleen mentioned that communication to the citizens of all three communities is very important. In order for them to have the knowledge they need to vote, we need to have an outreach communication plan including informational meetings, flyers, utilizing cable TV access, school and town web sites, etc. Norm Beauparlant asked if we would televise meetings.
- A Communications Committee was formed. Members working on communication and community outreach are: Dana Lee, Tine Kelly, Mary Martin, Bill Doughty, Dennis Duquette, Linda Chaisson
- Bill Doughty asked about the Transition Plan's reference to the RSU board. Mary Jane explained that the committee would create a draft of a plan for what will happen with that school board and what they will be expected to do. The board will be expected to create a budget for the first year of operation for the RSU.

- **Committee Membership** – There was discussion of who would serve on the RSU Planning Committee and what size it should be. Colleen reviewed the list from the previous consolidation committee. Dave Griffiths said he would like to have at least one teacher on the committee; this

10. Be respectful of decisions made at prior meetings.
11. Begin and end on time.

➤ **Organization of Subcommittee Work**

- Norm Beauparlant suggested we do the work as a large group and avoid having sub-committees having to continually update the larger group. Faye Luppi suggested from time to time we may need to form a small ad hoc committee for certain issues. A consensus vote was taken agreeing to stay as a whole group and deal with the issue of sub-committees as they arise. Dana Lee suggested a small group would be effective to deal with communication. Steve Holbrook asked where the money would come from to provide the communications. Dennis reported that the state would supply some funds for this process to cover these expenses, along with the town referendum votes. Mary Jane said each RPC was initially awarded \$2500 from the state and then an additional \$2500 to continue the work. She will check to see if we are eligible for both.
- Colleen suggested we start the next meeting with a summary of our leaving off point with GNG – what did we learn from that and how close are we to be able to do something.

- **Method of Filling Vacancies** – Mary Jane said that you would use the same process you used when forming the initial committee. It was agreed this is how we would handle vacancies.

- **Committee Meeting dates/times/locations** – The committee will meet on Wednesday evenings from 6:00 to 8:00 PM through July & August.

Motion: by Steve Holbrook to hold the meetings at Poland Regional High School where they can be televised.

Second: by Bob Belanger

Vote: Unanimous

5. Other business

- Rick Kusturin provided a handout outlining Timing Considerations for Referenda on School Reorganization Plans
- We need to get the word out that the public is invited to attend all meetings and to provide input at the meetings as well as serve on any ad hoc committees that the RPC creates.

6. Close – next meeting

A motion was made by Steve Holbrook to adjourn at 7:33PM.

Next meeting is Wednesday, July 2, 2008 at 6:00 PM at PRHS.

Respectfully Submitted:

Linda Chaisson

First	Last	Affiliation	Town
Carl	Beckett	Budget Committee	McFalls
Robert	Belanger	Community Member	McFalls
Dan	Blanchard	Town Council	McFalls

Union 29
REGIONALIZATION PLANNING COMMITTEE
2nd Meeting - July 2, 2008 - 6:00 PM
Poland Regional High School

MINUTES

Present: Carl Beckett, Robert Belanger, Dan Blanchard, Dave Griffiths, John Hawley, Steve Holbrook, Rhonda Irish, Tina Kelly, Yvette Murray, Colleen Quint, Eda Tripp, Norm Beuparlant, Norm Davis, Mary Ella Jones, Dana Lee, Faye Luppi, Wendy Sanborn, Dennis Duquette, Cari Medd, Mary Martin, Bill Doughty, Linda Chaisson

Welcome

- Colleen Quint called the meeting to order at 6:03 PM.
- Defining a Quorum - Colleen proposed a 50% quorum for the working meetings throughout the summer and a 2/3 member presence when the final decisions are made for recommendations to the school committees. A consensus vote approved the proposal.
- Elect a Vice Chair –
Motion: by Dave Griffiths to nominate Dana Lee as Vice Chair
Seconded: by Wendy Sanborn
A consensus vote approved the motion.

Approval of Minutes

Process for approving the minutes – Colleen suggested the committee take three days from the date the draft minutes are sent out. If we don't hear from you, we will assume you are in support. After three days Linda will edit any corrections and post them to the web site.
A consensus vote approved the proposal.

Public Comment

None

Comments/Questions Session –

- Steve asked if all members who are on the committee have been notified, Colleen said yes.
- Dana asked what vote date we are going to try for. Colleen felt we would have a better sense for that once we dig into the work.
- Rhonda spoke about the timeline handout she had. It appears there are some different dates on other timelines. Dennis said he didn't think the one she had was accurate according to the information they received from Drummond Woodsum.
- Norm Beuparlant said the downside to pushing for the Nov 4th vote to meet the deadline is, if we don't inform the public well, we could get the wrong vote, no matter how many people show up. We can hold the vote anytime between Nov 4th and the end of January.
- Dave Griffiths said to make sure everyone reads the reorganization book, as there is a lot of information in there to take into consideration.

Communications Committee – Dana Lee

- Dana handed out the *draft Communication Plan* – One of the key things we are recommending is to utilize the existing web site for all news related to the consolidation effort. We should direct everyone to that web site, as all information will be posted there.

7/3/08, 7:57 PM

Governance

- Colleen talked about the weighted voting system that we have in place now. We have fifteen members, five from each community with a weighted vote.
- Carl brought up the fact that this was like getting married after living together. When we were single, you could understand the weighted vote. In a marriage, there isn't a weighted vote. We all have to go into this as equals. It could be destructive if the vote is weighted.
- Steve asked if the weighted vote had to be done to be fair. Colleen said she thought it was just a recommendation.
- Dave Griffiths said this really gets to the heart of something. The RSU is going to be making decisions that affect individual schools. In a weighted vote, the "other" people could find it easier to take money away from a particular school. Bill said we could have either a weighted vote or a proportionate number of members on the committee and Colleen agreed.
- Norm Beauparlant wondered if any of the new legislation changed this and Dennis said this stayed the same.
- Dana said whatever we do is going to take a whole lot of trust and get away from self-interest. When you talk about the assumption of debt and assets, that's where the monetary aspects will tend to play out.
- Norm Davis said that we want to remember we have the high school contract with the other towns, and to consider what the other towns pay the high school for tuition.
- Carl asked if there was a good or bad on the weighted vote issue. Colleen thought that overall, it worked quite effectively. Norm Beauparlant explained that there is no one town that can control the entire vote.
- Dana said there is a need to bring a lot of data here. Assets, debt, budget, personnel contracts, etc., and we need to summarize these.

Disposition of Real and Personal School Property

- We didn't make much headway on this issue with GNG. We didn't get that far.
- We need to gather the data to examine this issue. We will focus on this data on July 16th.
- Dennis will get the information out to everyone next week. Members will review and submit questions prior to the July 16th meeting.
- Eda asked about scholarships that are specific to students of a particular town. Colleen said there is a way to address that in the notebook.

Personnel Contracts

- Dennis explained that our goal is to have all the contracts run out three years from now. All the contracts will come due at the same time and we will negotiate a new, single contract for everyone in the RSU. We have completed contracts in all the schools, except the high school, which is beginning negotiations now. Our goal is to work towards a K-12 unified contract for the RSU. Three years from now we should be about 95 % equitable across all three towns.
- At this point this is a data gathering section of the plan. We do not need to make any decisions.
- Bill read the language describing the personnel contract possibilities from the state DOE web site for alternative RSU's.
- Mary Martin pointed out that this section involves all contractual obligations, not just personnel contracts. Dennis said they are working now to bring all these contracts in line with one another. Mary wanted to know how we would define what contracts need to be brought forth. i.e., school pictures, etc.

Union 29
REGIONALIZATION PLANNING COMMITTEE
3rd Meeting - July 9, 2008 - 6:00 PM
Poland Regional High School

MINUTES

*Final Draft
by LC
Meredith
7/10/08*

Present: Carl Beckett, Robert Belanger, Dan Blanchard, Dave Griffiths, Jack Wiseman, Steve Holbrook, Rhonda Irish, Tina Kelly, Yvette Murray, Colleen Quint, Chris Woodford, Norm Beauparlant, Norm Davis, Mary Ella Jones, Dana Lee, Faye Luppi, Wendy Sanborn, Dennis Duquette, Rick Kusturin, Cari Medd, Mary Martin, Bill Doughty, MaryJane McCalmon, Linda Chaisson

Welcome

1. Colleen called the meeting to order at 6:04 PM with introductions of all present.
2. The purpose of tonight's meeting is to focus on timelines and transition plans.

Minutes

Motion: by Norm Beauparlant to accept the minutes of the July 2, 2008 meeting
Seconded: by Dan Blanchard
A consensus vote approved the motion.

Public Comment

None

Comments/Questions by Committee Members

- ✓ Norm Beauparlant raised the issue of the AOS (Alternative Organizational Structure), and after reading through the notebook wondered if this was an option for us to consider. Colleen explained that our proposal to the commissioner was to form an RSU. Mary Jane said the RPC would need to notify the Commissioner if we wanted to form an AOS instead of an RSU. Steve Holbrook said that when we applied to stand as an RSU, this portion of the legislation wasn't written yet. Norm Beauparlant said on page S-4 in the notebook, that the requirements are provided for forming an AOS. Jack Wiseman pointed out that the *Union* format is what we are trying to get away from due to the inefficiencies. Mary Jane said there are only three to four districts in the state that are likely to go with an AOS. Mary Ella asked if anyone on the RPC wanted to consider looking at the AOS option. She thought that if we were to form an AOS, we wouldn't have the advantages of consolidation but we would also have the disadvantage of funding being calculated as though we were an RSU. RPC members will look over the AOS section of the notebook and revisit the issue next week.
- ✓ Carl talked about an article regarding Freeport, Durham and Pownal's consolidation costs. RSU start up costs could offset initial cost savings.
- ✓ Dennis said we have a law firm, Drummond Woodsum, and when we reach a gray area on an issue, we can ask for a more direct understanding from them and/or the DOE. The RPC does get some reimbursement of legal costs. Mary Jane said each SAU gets \$2500 for legal services, plus \$2500 for the RPC work. The committee spends the money initially and the state reimburses you. She reminded the committee that transition costs are one time only start up costs that will be incurred. She thinks ours will be lower because we have been working together already for a long time and we already share a district office.

In conversation with Maine School Management, Drummond/Woodson McMahon (school attorneys) and the DOE, their recommendation is to try and have a referendum vote this school year and not wait until January 2009. If we do not meet the August 25 DOE deadline for the November 4 election, we can still submit our plan at a later date and arrange for a separate 3-town vote on our reorganization plan. We can set the date that will work best for our 3 towns, but as I mentioned, the recommendation from three reliable sources is to try and have the vote this school year 2008."

- ✓ Dave Griffiths said that he liked the idea of the November 4 date. A lot of people are going to be showing up at the polls and he thinks it will go in our favor. He is guessing that a lot of towns will be shooting for the November 4 date and Mary Jane said that was correct. Dave felt that an alternative date would produce a small voter turnout. Dana concurred and said he hoped the committee gets our paperwork in by August 24 and go for the November 4 vote.
- ✓ Colleen said we want to make sure we are very thorough and putting forth the best plan, We need to explain it to people and make sure we are addressing all the issues and concerns that come up. If we can do that in time for the August 25 submittal date then we should go for it.
- ✓ Cari raised the fact that the individual school committees in each town have to vote on the plan before it is submitted to the state. Some special school committee meetings may need to be held in order to meet the deadline. Mary Jane noted that if we are ready to send some sections of the plan to DOE for early review, we can still do that. The school boards would then vote on the whole plan and then could do so knowing that some sections had already been reviewed and approved.
- ✓ Dennis reported that he was told by the DOE that every time the RPC gets a piece of the plan done and submits it to the state, it gives them a chance to look it over and get it back to us with feedback. Mary Jane said turn around time to get a section of the plan examined depends on how accurate the section of the plan submitted is. The DOE is going to try to turn things around in a week.

Transition Plan –

- ✓ From Dennis: "I spoke with Norm Higgins from the DOE and he suggested that we form a transition team as soon as possible. Norm Higgins recommends that our RPC identify who the transition team members will be so they can begin sorting out the many necessary areas that the transition team will be involved in organizing. Some identified areas that the transition team will be directly involved in will be planning and organizing the new budget for the 09/10 school year, election process of a new RPC school committee, selection of a new RPC school superintendent, and appointing a secretary."
- ✓ Dave Griffiths suggested the committee come up with some cost saving figures to present to the voters so they have something to base their vote on.
- ✓ Norm Davis asked if the transition team would be a subcommittee, and what areas would they focus on. Items considered were: how to communicate with the towns, tying in all the loose ends, looking at start up costs, and what are all the things we have to take care of in order to be legally ready on July 1, 2009.
- ✓ Dana suggested we let the school staff (Superintendent, Principals and Business Manager) come up with the transition plan and present it to the RPC for review, edit, comment on, etc. Another option is that the transition team starts up as soon as the plan is completed and submitted. The responsibilities of the transition team would be part of the plan.
- ✓ Dennis thought it would be good to have a few RPC members on the transition team as well. Someone from the school committees would have some valuable insight.
- ✓ Colleen said we need to describe the transition plan for the RSU plan that gets submitted to DOE, and then the transition team could work through the fall on some of those pieces.

Estimated penalties for non-conforming school administrative units - If you go to the DOE website <http://www.maine.gov/education/reorg/penalties.html> you will see a dollar amount listed after each school district in the state if they do not reorganize. Mechanic Falls will lose about \$75,568, Minot \$67,803 and Poland \$173,656. Towns will also be placed at the lowest level/priority when it comes to new building projects. These are the only penalties that I am aware of at this time, but they are significant."

- ✓ Drummond Woodsum said if one town turns the plan down, you have to go back to the drawing board and work to make it happen.
- ✓ Steve Holbrook said Minot has already spent more money for teachers' raises than what our penalties would be. We need to do our homework to make the townspeople happy. It was pointed out that the penalty is just the reduction in state aid. If one town voted it down and the other two towns formed an RSU, the remaining town would also have to hire their own Superintendent and Central Office staff, fuel and transportation, etc.
- ✓ Wendy Sanborn suggested that forming an RSU is like providing mutual aid to each other, sharing resources much like the fire and rescue departments do.
- ✓ Jack said that the public perception is that this was brought forth as a cost saving measure, so we need to let people know what they will be getting as a result of consolidation.
- ✓ Bill pointed out the options listed on page 24 in the notebook concerning how units that approve the reorganization plan will proceed if one or more of the proposed members of the regional school unit fail to approve the plan.

Next week's agenda:

1. RSU vs. AOS discussion
2. Governance Issue
3. Transition Plan from Dennis for review
4. Disposition of property.

Steve Holbrook made a motion to adjourn at 7:52 PM.

Next meeting July 16, 2008 at 6:00 PM

Respectfully Submitted:

Linda Chaisson

Union 29
REGIONALIZATION PLANNING COMMITTEE
4th Meeting - July 16, 2008 - 6:00 PM
Poland Regional High School

MINUTES

Present: Carl Beckett, Robert Belanger, Dave Griffiths, John Hawley, Jack Wiseman, Steve Holbrook, Rhonda Irish, Tina Kelly, Colleen Quint, Norm Beauparlant, Norm Davis, Mary Ella Jones, Dana Lee, Faye Luppi, Bonnie Payette, Rick Kusturin, Mary Jane McCalmon, Cari Medd, Bill Doughty, Linda Chaisson

Welcome

Colleen Quint called the meeting to order at 6:04 PM

Minutes

Motion: by Steve Holbrook to accept the minutes of the July 9, 2008 meeting
Seconded: by Norm Davis
A consensus vote approved the motion.

Public Comment

None

Comments/Questions by Committee Members

None

Discussion: RSU vs. AOS

Regional School Unit or Alternative Organizational Structure

Discussion:

- ✓ Norm Beauparlant: The benefit of an RSU is the efficiencies that are gained, particularly at the Central Office.
- ✓ Colleen: The current structure shares the administrative office; there are 5 school committees, and 40 different contracts for various things. As an RSU, we would have a single school board and consolidation of all contracts and policies.
- ✓ Mary Jane: An RSU is more centralized and cohesive in many ways. It also allows for more flexibility for the benefit of students and/or savings. You can share staff and services without complex interlocal agreements.

Motion: by Norm Beauparlant to put aside the thought of an Alternative Organizational Structure and continue on with the Regional School Unit structure

Seconded: by Norm Davis

A consensus vote was taken to approve the motion.

Governance Plan Discussion

REORGANIZATION PLAN

- ✓ The school units included in the plan are Minot, Mechanic Falls and Poland.
- ✓ The proposal is for a governing body of 15 members, 5 from each town, serving a three-year term. Initial terms will be staggered.
- ✓ Weighted vote based on census, % of population, see chart below.

Issue: Local school committees (in addition to the RSU school committee).

- ✓ Norm Beauparlant: We are looking to restructure and become more efficient. We don't want to create more administrative work by setting up local school committees, in addition to the RSU school board.
- ✓ Bob Belanger asked if the 5 members could be a subcommittee that meets with the principal in their own town. Mary Jane said they could do that, but it would not be considered a local school committee. A local school committee needs to be elected by the town.
- ✓ Bill clarified that a principal in any town will not report to the 5 local members of that town, they will report to the 15-member board through the Superintendent.
- ✓ Tina Kelly: It would be counter-productive to have local school committees.
- ✓ Dana asked if we retained our own assets and debts and one town had to bond some improvements to their school, would the 15-member board be the body that would decide that?
- ✓ Mary Jane: If the municipalities maintain ownership of the buildings, you have to have a very comprehensive agreement about whose job it is to do what.
- ✓ Carl: This is like 3 corporations merging into one big corporation. The small businesses are gone. X, Y, Z Corporations become B Corporation.
- ✓ Faye added that in looking at the information in the notebook, it looks like the local school committees would be operating in much the same way as an AOS, which we just decided we didn't want to do.
- ✓ Bill, referring to page 15 in the appendix of the notebook, said it looks like the RSU determines what buildings and assets it needs to run the system, then request that the towns turn them over to the RSU. Do the towns really have a choice to transfer the property or not? Mary Jane said there is a provision in the law that lets the RPC decide if assets and/or debts stay with the town or become shared amongst the RSU.
- ✓ Jack Wiseman asked if any other groups have kept their own debts and assets, rather than combining them into the RSU. Mary Jane said some RSUs have had some towns maintain ownership of some of their buildings. She will research what types of agreements they have used. Most of the RSUs are combining all property and debt. If a building becomes not needed for education, the law allows the building to be returned to the town.
- ✓ Dana Lee: What people will want to know is, will there be any cost shifts? Will there be mil rate tax shifts that will occur? If we can combine the assets and debts and come out of it not having those shifts, that would be good to know. Mary Jane said it would have to be researched.
- ✓ Colleen redirected the RPC back to the governance issue and the 15-member board. She asked if the group was ready to make a decision on governance.
- ✓ Carl asked if there were pros and cons to the weighted system and were there any changes that needed to be made. Several people said it was fine the way it was.
- ✓ Faye asked if we should also make the decision of local school committees now. How much has each town, historically, been funding education over the state EPS? That may drive the decision. Colleen set aside the question for later.
- ✓ Carl asked how the budget is developed for the RSU. Is there a budget committee? General discussion was that there are no local budget committees; the RSU board sets the budget.
- ✓ Dana: You can only vote straight up or down. You can't change the numbers. It is a straight up or down vote in the referendum.
- ✓ Norm Beauparlant: A budget committee works well in a single municipality preparing a budget for municipal services and education. He didn't see any way of building in a budget committee for the RSU.
- ✓ Faye pointed out that if local school committees are allowed, they could create the budgets for the local schools.

- ✓ Yvette asked if a town was better off to combine the schools into the RSU if they want to build a new school in the future? Or, would it be best to keep our properties in the municipality if we want to get a new school with money from the state. Mary Jane said she didn't think there was a huge implication either way.
- ✓ Dave asked what properties are in question? What are we considering? Are there any hybrids?
- ✓ Mary Ella asked if there are any instances of a SAD keeping the buildings in the municipality. It seems like there is a fear of the loss of the school ownership. It is still going to be each town's school.
- ✓ Dana: We have four school buildings and their contents. There is also the debt that goes with them. The facilities plus the debt and the leases tend to go into the RSU.
- ✓ Faye suggested we may need to take due diligence in at least creating and examining a small report that outlines the building assets and projected capital projects. She reminded the RPC that Rick made an earlier recommendation that we should be doing that.
- ✓ Jack asked what we would do about it if we discover that a certain building will need capital improvements in the near future?
- ✓ Carl asked what the basic budget was going to look like? Rick envisions 60% of the budget of the RSU would be determined on cost sharing. When it comes to the high school, you have to segregate it because of the tuition contract. In the other 40% of the high school costs, each town will pay a certain percentage. The tuition contract complicates the entire process. He said if the contract were changed prior to the formation of the RSU, whatever is in place would be what is carried to the RSU.
- ✓ Tina said she thinks these discussions get to the logistical and emotional crux of the consolidation issue and that's what this is all about.
- ✓ Norm Beauparlant suggested that the subcommittee look at the Central office building interlocal agreement as well, regarding sharing the cost of construction and operations.
- ✓ Faye asked if we could have an explanation of the legal issues surrounding the interlocal agreement. Rick said that if the building becomes part of the RSU, it becomes moot.

Dana Lee made a proposal to form a subcommittee with the three town managers and three school committee members, to examine the property/facilities and debt issue.

A consensus vote approved the proposal.

Next week's agenda:

Disposition of Property & Debt

Cost Savings

Motion: by Dana Lee to adjourn at 8:00 PM.

Next meeting July 23, 2008 at 6:00 PM

Respectfully Submitted:

Linda Chaisson

Union 29
REGIONALIZATION PLANNING COMMITTEE
5th Meeting - July 23, 2008 - 6:00 PM
Poland Regional High School

MINUTES

Present: Carl Beckett, Robert Belanger, Dan Blanchard, Dave Griffiths, John Hawley, Jack Wiseman, Steve Holbrook, Rhonda Irish, Tina Kelly, Colleen Quint, Eda Tripp, Norm Beuparlant, Norm Davis, Mary Ella Jones, Dana Lee, Faye Luppi, Dennis Duquette, Rick Kusturin, Bill Doughty, Linda Chaisson

Welcome

Colleen Quint called the meeting to order at 6:01 PM.

Colleen thanked everyone on the committee for their commitment to the RPC and all the work being done, both at and in between the meetings.

Minutes

Motion: by Steve Holbrook to accept the minutes of the July 16, 2008 meeting

Seconded: by Jack Wiseman

A consensus vote approved the motion.

Public Comment

Colleen shared an email that was sent in to one of the committee members from a community member, regarding the fast pace that the RPC is working at. She explained that we are moving relatively quickly to get the plan done. We are under a state mandate to get it done and approved by the citizens of the towns, and the state by January 30, 2009. Our goal is to have the referendum on the Nov. 4 general election ballot and in order to do that we need to have our plan submitted to the DOE by Aug. 25. In addition, many of these issues have been previously discussed by the school committees and by the planning committee from last fall in our talks with GNG.

Comments/Questions by Committee Members

1. Colleen brought up a question she received about how the three members of the transition committee (from the RPC) are going to be selected. She said the RPC will be talking about this and bookmarked it for later discussion.
2. Another question Colleen was asked, by Cari, was if we wanted to post the state approved sections of the plan on the web site. Colleen suggested if we do this, we need to include a short explanation of what that particular section of the plan is about.
 - ✓ Norm suggested we post the plan template on the web site so people can see where the sections fit into the big plan.
 - ✓ A consensus vote approved Linda posting the plan template on the web site.
3. Carl asked if we were going to finish the governance discussion regarding local school committees. Colleen said we were going to work through this evening's agenda items before going back to governance. Working through some of these items may make it easier to finish the final piece of the governance plan.

Section 2 & Section 3 of Reorganization Plan

- ✓ Dennis reported that the DOE has approved Sections 2 and 3 of the plan. We will post these approved items on the web site. The state also included a few suggestions, minor word changes.

Disposition of Property & Debt - Continued Discussion

- ✓ A subcommittee met on July 21 to examine Assets, Liabilities and Buildings. The group came to unanimous decisions about how to proceed, and they have some recommendations for the RPC to consider. Dana thanked John Hawley for taking the notes and he reviewed the document with the committee.
- ✓ Rick reviewed the debt spreadsheets for each school department.
- ✓ Norm Davis asked if there was any state subsidy on the PCS addition. He thought they were receiving a subsidy for modular units at the time and were told by the state that if they did away with the modular units and built the addition, they would still get the subsidy for ten years. Rick said he would double check that.
- ✓ Dana talked about the tuition contract (see next bullet).
- ✓ Taken from the minutes of the sub-committee meeting – *The tuition agreement, if not changed may not get support of Poland voters, and if changed (revoked) may well lose the support of Minot / Mechanic Falls voters. Dennis has made budget adjustments at the high school to bring down the tuition cost of the Poland students to the point where it is nearing the cost of tuitioning Minot and Mechanic Falls' students. An alternative to revocation of the existing tuition contract would be a supplemental contract that provided a "ceiling" related to any new or expanded programs (costs above state average) decided by the RSU board.*
- ✓ Dana explained that if Minot and Mechanic Falls dissolve the tuition contract voluntarily, they would reduce their protection to only pay the state average for tuition. With being part of the RSU and the 15-member board, they would have a say in the budget and could help to control costs that way.
- ✓ Dave Griffiths asked what they are paying now and Dennis explained that the current state average, beginning in September, is \$8,400. The high school currently shows a cost of \$13,900 but after the tuition revenues are applied, it is actually about \$9,000. There is a misconception in the community about the gap between what the town of Poland is paying to educate per student vs. what they are receiving in tuition. Dennis is confident that we can lower the costs at the high school to eventually meet the state average.
- ✓ Bill talked about the per pupil cost at PRHS and explained that 3 years ago the difference was \$1,500 between state average and the PRHS average cost. He said they have made reductions in staff and programs in the last two years and presented a zero increase budget for next year to get the per pupil costs down closer to the state average.
- ✓ Carl asked if the RPC could include in the plan, a tuition cap, based on the state average, meaning the high school could only spend what Minot and Mechanic Falls are paying now. To calculate the budget, we would take the state average, multiply it by the number of students and set that as the budget number and that would be all the high school could spend. Colleen said this group doesn't have the authority to set the budget, that will be done by the new 15-member school board. The budget needs to be done through the elected officials.
- ✓ Bob Belanger asked how we know that the properties in the towns are valued at the proper rate with regards to paying for the school budget. Dana said they use the state equalization valuation, so that is taken care of.
- ✓ Norm Davis talked about the ceiling. If the tuition contract remains in effect, the ceiling contract would provide some protection for Poland with regards to adding new programs and protecting Poland taxpayers from paying all the associated costs.
- ✓ Rick said that last week he asked the committee to look over the tuition agreement. He explained that the conditions under which this agreement was derived have changed and will be changed under the new RSU board. Minot and Mechanic Falls will now have a say in setting the costs. They do not currently have that input under the tuition contract.
- ✓ Melissa Hodgkins said that there is a disparity between the three towns that is out there, and we need to get this information out so people understand this.

✓ Dana also added from the sub-committee minutes:

These recommendations are made for the following reasons:

- 1) *the required presence of local school boards (if we do not transfer assets) will undermine the efficiencies and administrative simplicity that can be had under a single RSU structure;*
 - 2) *there is a surprising amount of equity in our relative positions with regard to debt, building needs, and financial strength.*
- ✓ Steve asked about the impact fees that Minot collects, some of which is geared towards the school. The committee felt that those funds would be transferred to the RSU, but only be used for their designated purpose. Colleen suggested a legal opinion on this.
 - ✓ Faye thanked the subcommittee for this work. It helps us build a record and explain it to the townspeople.
 - ✓ Rhonda Irish wanted to know how much it is going to cost each town. Rick said he did not believe it would be any more than they are currently paying, and that there will be efficiencies immediately recognized upon the formation of the RSU. The wild card is that no one can guarantee what the state subsidy will be, but it is not likely that we will be asking for more money than we asked you for this year.
 - ✓ Steve said that if we are assuming the \$1.4M debt from Poland between the three towns, we are going to have to pay that debt on top of everything else. Rick said the pro-ration of the debt would have to be decided by the group.
 - ✓ Eda said they need real numbers in order to sell this program to the townspeople.
 - ✓ Rick will put some of this information together for next weeks meeting.

Cost Savings – Initial Discussion

- ✓ Dennis provided some examples of cost savings: transportation, sharing resources, for example, sharing personnel across the district to reduce costs, (i.e. share a teacher from one town rather than hire a new teacher in the other town), also music, wellness, and foreign language. Central Office could possibly move into one of the school buildings. Dennis will have more examples of where we can save some money next week.
- ✓ Bill asked if a financial document could be put together based on the recommendations of the subcommittee; what the financial impact of their recommendations might be.
- ✓ Norm Davis said we have to be careful in looking at a snapshot, because at some point in time we are going to have to spend money on all the buildings, in all the towns, and that could result in an increased cost.

Next week's agenda:

Disposition of Property & Debt, *make a decision.*

Cost Savings

Preliminary discussion on cost sharing

School choice

Motion: by John Hawley to adjourn at 8:01 PM.

Next meeting July 30, 2008 at 6:00 PM

Respectfully Submitted:

Linda Chaisson

7/25/08, 2:28 PM

Union 29
REGIONALIZATION PLANNING COMMITTEE
6th Meeting - July 30, 2008 - 6:00 PM
Poland Regional High School

MINUTES

Present: Carl Beckett, Robert Belanger, Dave Griffiths, Jack Wiseman, Rhonda Irish, Tina Kelly, Yvette Murray, Eda Tripp, Norm Beuparlant, Norm Davis, Mary Ella Jones, Dana Lee, Faye Luppi, Wendy Sanborn, Winslow Durgin, Dennis Duquette, Rick Kusturin, Mary Jane McCalmon, Cari Medd, Bill Doughty, Mary Martin, Linda Chaisson

Welcome

Dana Lee called the meeting to order at 6:05 PM.

Minutes

Motion: by Norm Beuparlant to accept the minutes of the July 23, 2008 meeting

Seconded: by Tina Kelley

Bill Doughty had a suggested language change for page 3 in the 7th bullet. It had to do with clarification of the per pupil costs at PRHS. His suggested change was that it says, "There are two different figures for the PRHS per pupil costs, \$13,900 and \$9,000. The larger figure results when only Poland students are considered in the per pupil calculations. The \$9,000 is the per pupil cost for all our students including Minot and Mechanic Falls." The RPC thanked Bill for the clarification, but did not feel an amendment was needed.

A consensus vote approved the motion to accept the minutes as written.

Public Comment

None

Comments/Questions by Committee Members

None

Sections of Reorganization Plan Approved by the DOE

- ✓ Dennis reported that Sections 2, 3 and 9 have been approved. Dana clarified that approval by the state doesn't mean approval by the communities. The voters still have the final say. This is more like a pre-approval process so we won't be held up at the last minute. The RPC and DOE approved parts of the plan will be posted to the RPC web site.

Communications Committee

- ✓ A *mid-season* update flyer will be created within the next few weeks. Updated information will also be in the Poland Newsletter. The most up-to-date information for people is on the RPC web site.

Disposition of Property & Debt - Decision

- ✓ Dana reviewed the discussions and read the recommendations from last week, which are all contained in the July 23, 2008 minutes.

before the acceptance of the RSU. It also says that the local boards and the voters must approve any alterations to existing contracts. She requested an opinion from someone versed in school law on this topic and what steps we would need to take. In addition, the 10% school choice issue would be part of this.

- ✓ Dana said we need to put this issue on hold until we have an opinion on it, but we can still focus on the debt and assets and see if we can reach consensus on those things.
- ✓ Norm Beauparlant - We need to have some discussion and reach some consensus about the tuition agreement. It creates a problem if we don't resolve it.

A consensus vote was called to accept the recommendations read and it did not pass.

- ✓ Eda said one of her concerns is seeing the bottom lines. Minot is picking up a lot of debt in comparison to what we have. We're not ready to make a decision on the land. Selectmen and school committees are meeting on Aug. 11.

Cost Sharing – Rick Kusturin

- ✓ Rick explained how each of the school districts receives their money from the state and localities. The state provides a figure called EPS (Essential Programs and Services) that says this is what it should cost you to run your school and here is what the state's share of that funding will be. In order to get the state portion of the money, the locality has to put up a certain amount of money. In Poland, it is approximately 50/50 and in Minot and Mechanic Falls, approximately 70/30 (70% from the state). When the budget is created, the town has to decide if they want to spend additional local funds if the budget is over EPS. The local EPS portion is not optional, but additional local funds (over EPS) are.
- ✓ Many people have asked how much is it going to cost. The additional local funds portion of the budget (over EPS) is the only part that is negotiable. This year the state funded EPS at only 97%; hopefully, it will go up to 100%.
- ✓ Rick provided two spreadsheets and discussed them in detail.
- ✓ The first spreadsheet #1 took the current FY08-09 budget for all 3 towns and combined it, using the 60/40 proration formula that we currently use for the Central Office. The end result of this was \$566,403 less for Poland to pay, and an additional \$389,495 for Mechanic Falls and \$176,907 for Minot. The total budget was \$21,871,703.73.
- ✓ The second spreadsheet #2 took the current FY08-09 budget for all 3 towns and calculated it as if we were an RSU. This was calculated with a proration formula that caused no harm to any town. The total budget was \$19,239,227.16.
- ✓ Rick also provided a DOE Cost Sharing Template spreadsheet, that compared the local funds needed for education based on different formulas, such as, 100% valuation, 100% pupil counts, and then a combination of each in the form of a 50/50, 55/45 and 60/40 split so people could compare the numbers.
- ✓ Rick did a comparison looking at what the towns are paying now for local funds and how much they would have to cut from the overall budget under the RSU to stay flat. It would be about \$1.9 million across the district.
- ✓ Dave Griffiths clarified that a cut of \$1.9M, out of a \$21M budget, would keep us at the same level that each community is currently paying. Rick said \$1.9M is a lot of money out of educational programming.
- ✓ Norm Beauparlant clarified that the current proration is based on 60% students, 40% valuation and asked if we could play with the formula to help balance things?
- ✓ Rick said the state portion of funding and the local funds required to get them will change under the RSU. It cannot cost any more than it does now or its not going to work with the towns. Once you take out the shared cost savings that Dennis has proposed, you will see an immediate savings in your assessment. He used the \$75,000 transportation savings as an example.

- ✓ Jack said we could always revisit it if it needs to be changed but if we have a model right now that works, that's going to be the selling point moving forward.
- ✓ Carl asked if it is 100% valuation then would the tuition contract would be moot?
- ✓ Norm Davis - If we went to 100% valuation, we are all paying the same amount we are paying now and we don't need the tuition contract.
- ✓ Eda asked how the formula review is done to make sure there is parity.
- ✓ Eda thanked Rick for all his hard work and excellent job getting these figures all pulled together.
- ✓ Rick asked if the subcommittee (debt and assets) could meet again, look at these formulas and report back to the RPC next week.

A consensus vote approved the request.

Cost Savings

Tabled until next week

School Choice

- ✓ Dana asked Dennis to phrase the idea of not renewing the 10% school choice in Minot Mechanic Falls for next week for the PRC to look at.

Next week's agenda:

- Cost Sharing
- Disposition of Assets
- Cost Savings (if time)
- School Choice/Tuition Contract

Motion: by Norm Beauparlant to adjourn at 8:00 PM.

Next meeting August 6, 2008 at 6:00 PM

Respectfully Submitted:

Linda Chaisson

Union 29
REGIONALIZATION PLANNING COMMITTEE
7th Meeting - August 6, 2008 - 6:00 PM
Poland Regional High School

MINUTES

Present: Carl Beckett, Robert Belanger, John Hawley, Jack Wiseman, Steve Holbrook, Tina Kelly, Yvette Murray, Colleen Quint, Eda Tripp, Norm Beauparlant, Norm Davis, Dana Lee, Wendy Sanborn, Dennis Duquette, Rick Kusturin, Cari Medd, Mary Martin, Linda Chaisson

Welcome

Dana Lee called the meeting to order at 6:07 PM.

Minutes

Motion: by Norm Beauparlant to accept the minutes of the July 30, 2008 meeting.

Seconded: by John Hawley

A consensus vote approved the motion to accept the minutes as written.

Public Comment

None

Comments/Questions by Committee Members

- Tina Kelly -- Talked about an article that was in the newspaper over the weekend. It said all Minot members had voted thumbs down to the debt & assets proposal. Tina wanted to clarify that she did not vote thumbs down, but did think the discussion that followed the thumbs down vote was very productive.

Sections of Reorganization Plan Approved by the DOE

- ✓ Dennis reported that Sections 2, 3 and 9 have been pre-approved by the state. These sections contain the Governance structure and voting method, and the Transition Plan.
- ✓ Dana explained that the DOE has to approve the plan before it can go to the voters. The voters still have the final say.
- ✓ Dennis said that there are thirteen sections to the plan, though some sections just require listing out details about our towns and schools.

Communications Committee

- ✓ The Communications Committee is working on a *mid-season* update flyer.
- ✓ The flyer will include: sections of the plan that have been finalized, recommendations close to being made, some questions and answers, and any other information the RPC feels it should contain.
- ✓ John Hawley -- He heard that the DOE was concerned about receiving a large number of RPC group plans all at once because of the Aug. 25 deadline and that the deadline had been moved up a week. Dennis said that he talked to Mary Jane McCalmon, who checked with the DOE, and confirmed that the deadline is still Aug. 25.
- ✓ Mary Martin asked if there were other questions we should address in the flyer?
- ✓ Colleen Quint - We need to remind people of the process and the timeline, and we might want to provide some context to these questions.

- Cari Medd - In the notebook, there are two sample cost sharing plan templates. A phase-in of the cost sharing formula is acceptable.
- Steve Holbrook - If we vote to put this cost sharing formula in the plan, is this the way it will be for the first three years? He asked if it could be changed.
- Dana Lee - If, in year two, a majority of the 15-member board wanted to change the formula, he doesn't know if they could do that. We need to get a legal answer to this question. We want to make sure this is a three-year formula we can include in the plan.
- Norm Beauparlant thanked the sub-committee for their work and said he thinks this formula works for all three towns and we can say yes to it.
- Colleen Quint - The RPC recommends, the DOE approves, and the voters pass it. She says she believes there are circumstances, in which it can be amended under the law. She doesn't believe we can completely bind the formula for a three-year period. The legislation states that if 10% of the people in the municipality or a majority of the school board want to change it, they could; but, it still would have to go to referendum and be voted on.
- Eda Tripp - A community member contacted her about the school choice/tuition contract. All her children have gone to Hebron and she wants her last one to as well.
- Tina Kelly - (Question for Rick) - Regarding no increases in the budget; we know that teacher contracts are going up in the next three years, is that being taken into consideration when we talk about no increases in the budget?
- Rick said they haven't resolved how they are going to absorb those costs. These numbers are based on the current figures if we were an RSU right now.
- Dennis - Every year we have salary increases. We have tried to absorb a lot of that by tightening the budget and looking at staffing. We will be looking at how to operate the school system more efficiently.
- Norm Davis - Understands Minot's concern about salary increases and the additional debt, but all of these increases are going to be shared across the school district.
- Eda Tripp - In addition, there will be shared salary increases in the other two towns.
- Bob Belanger - I would pick up a \$2M debt if I were getting \$11M in assets.
- Eda - That's true, but if something happens and the assets get dissolved, Minot's will be pretty small.
- Carl - We should put it in the plan that the school board has to review the formula every two years (after the initial 3 years).
- Steve - We need to document the number of students we come in with at the beginning of this, so we can look at those numbers as the years go by and use them when we look at the formula. When the review process starts, it needs to include a review of the student counts. Years four and five will remain 90/10, the same as year three. The first review will be in year five.

A consensus vote passed the cost sharing recommendations amended to include:

- *Years four and five will remain 90/10, the same as year three. The first review will be in year five. Initial student counts will be documented and updated during the formula review process.*

Disposition of Property & Debt – Decision

- Eda Tripp - They are still not sure about how much land will go with the school.
- Colleen Quint - Regarding the July 21 sub-committee meeting recommendations, if we are going to consider a vote on this, we should look at these recommendations again. It does say Minot reserves the right to keep some of the land. That needs further definition, even if it says, as determined by the Minot School Committee and Selectmen.

- Steve reminded us that the school committees have to dissolve the tuition contract.
- Dennis spoke to Drummond Woodsum about the tuition contract and they recommended a phase out, just like what the RPC did tonight. Eda asked how we could take a law that the legislature passed, and just throw away. Dennis said the school committees could amend that legislation from his understanding of what Drummond Woodsum told him.
- Norm Beuparlant said he believes the special legislation was to allow the towns to create this agreement, not the agreement itself.
- The final recommendation is:

We hold harmless the students and families that are currently attending schools other than PRHS with the support of local dollars for three additional years, phasing all school choice students out of the system as they graduate from the other schools. Commencing in the 2009-2010 school year, no new out-of-district placements will be supported unless the student is the younger sibling of a student currently being supported for out-of-district placement. This 'family exception' will only extend to students beginning high school by 2012-2013. After that time, no new students will have locally-supported out-of-district placement regardless of family history.

A consensus vote approved the recommendation.

Cost Savings

Tabled until next week.

Cari reminded the RPC that we need to come up with a name for the RSU.

Next week's agenda:

1. Cost savings
2. Local school committees

Motion: by Norm Beuparlant to adjourn at 7:49 PM.

Next meeting August 13, 2008 at 6:00 PM

Respectfully Submitted:

Linda Chaisson